

RAILROAD COMMISSION OF TEXAS

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MICHAEL L. WILLIAMS
Commissioner

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BROWNFIELDS REDEVELOPMENT IN THE TEXAS COASTAL BEND

AUSTIN — The Texas Railroad Commission awarded funding for its first Targeted Brownfields Assessment Feb. 4 to evaluate an abandoned 4.5-acre crude oil gathering facility along Texas Highway 35 in Fulton, located in Aransas County.

The site, identified as the Compton Docks Facility has long been considered a community eyesore. Located less than a quarter-mile from Copano Bay Causeway, the facility is on the only northern passageway to the communities of Fulton and Rockport. The site will be redeveloped for commercial use by the Compton Development Corporation, which is not related to the former operators of the site. The Compton docks redevelopment project is supported by the Aransas County Environmental Health Department and is eligible under the grant for a \$65,000 environmental site assessment.

TARGETED BROWNFIELDS ASSESSMENT

By utilizing the funding provided by the Brownfields Response Program through an EPA grant, this abandoned site will finally be assessed, cleaned, and redeveloped. The landowner has already begun removal of the surface equipment, which will allow the environmental engineering firm working under the RRC to conduct an environmental assessment. The removal of tanks and waste by the landowner and the use of federal funds to pay for some or all of the assessment constitutes a tremendous cost savings to the state since oil field cleanup funds will not have to be expended.

“It is anticipated that the Commission’s Brownfields Response Program will assist in restoring abandoned oil and gas sites to new uses — increasing property values, stimulating tax revenues, creating jobs and bringing job training opportunities,” said Commission Chairman Victor Carrillo.

“This project shows that environmental protection and sustainable economic development can go hand in hand,” said Commissioner Charles Matthews. “By bringing ideas from industry and the community together to redevelop Brownfields, we will be able to promote economic growth as well as assess and cleaning up any related environmental problems.”

“We continue to remove stumbling blocks to redevelopment through a variety of endeavors such as the Brownfields Response Program in an effort to give communities the tools they need to improve their neighborhoods,” said Commissioner Michael Williams.

HISTORY OF COMPTON DOCKS

The Compton Docks Facility, abandoned for over 20 years, consists of three very large tanks containing a mixture of crude oil, water and sediment. Several smaller tanks and equipment also make up the facility. During the 1980’s, the Federal Deposit Insurance Corporation acquired the property in its capacity as manager of the

FSLIC Resolution Fund who in turn had acquired the property from a failed financial institution that held the site. The site was finally sold to an individual who quickly abandoned the property and failed to pay ad valorem taxes, according to Mr. Wade Hayden, representative of the new owner, Compton Development Corporation. Compton Development Corporation acquired the property in November 2002 for the purposes of removing the tanks, remediating the site and developing the site commercially.

In addition to the expense of removing and disposing of large volumes of oil field waste held in the tanks, the redevelopment potential at the orphaned site has been hampered because the tanks may have stored hazardous industrial waste. Extensive sampling and testing of wastes at the site by the Texas Commission for Environmental Quality (TCEQ), was performed in order to verify whether the waste was indeed hazardous. Staff from both the RRC and TCEQ reviewed environmental testing reports and concluded that the material held in the tanks was most likely the result of oil and gas exploration and production and not hazardous waste as was previously considered. With the determination of waste type confirmed as oil and gas related, the RRC became the lead agency in the site cleanup.

RRC'S BROWNFIELDS RESPONSE PROGRAM

The EPA defines a Brownfield as a real property on which the expansion, redevelopment, or reuse may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant. In September 2003 the EPA awarded the Railroad Commission a Brownfields Subtitle C grant to establish a Brownfields response program designed to identify brownfields associated with oil and gas activities and to promote voluntary cleanup by providing federal grant funding for environmental site assessments. The Brownfields Response Program is available for local governments or non-profit organizations or where there is demonstrated local community support for the redevelopment.

The RRC has a limited amount of funds available under this program and encourages all parties interested in the Brownfields Response Program to refer to the Railroad Commission's website located at www.rrc.state.tx.us or by calling Aimee Beveridge and Byron Ellington in the Site Remediation Section of the RRC at (512) 463-6765.